

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

BULLETIN 94-1

Issued this 18th day
of July, 1994

**TO: ALL INSURANCE COMPANIES WRITING MOBILE HOME POLICIES IN
MINNESOTA**

RE: Valued Policy Law

Insurers writing mobile home and/or manufactured home policies on buildings which are not licensed under the motor vehicle statutes, must comply with Minnesota Statutes section 65A.01, subdivision 5. This Statute, known as the valued policy law, states in its entirety:

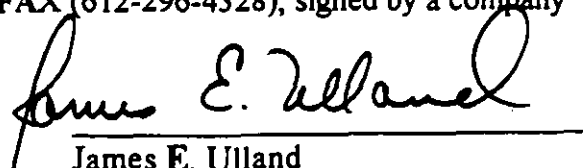
No provision shall be attached to or included in such policy limiting the amount to be paid in case of total loss on buildings by fire, lightening or other hazard to less than the amount of insurance on the same.

By October 1, 1994, you must withdraw all stated amount policies and endorsements currently on file with the Department which are used to insure mobile/manufactured homes. If you intend to market or renew policies or endorsements insuring mobile/manufactured homes after October 1, 1994, you may only use policies or endorsements which have been filed with the Department and which comply with the valued policy law.

You may continue to use previously filed stated amount policies until October 1, 1994, or until your current policies renew, whichever is later. However, in the event of a total loss under such policies/endorsements, the insurer must offer the insured either the full face amount of the policy or a replacement structure of like kind.

Since mobile/manufactured homes, which are not licensed under the motor vehicle statutes, are buildings, for purposes of the valued policy law, it follows that Minn. Stat. §65A.06 also applies. Consequently these structures can no longer be insured under an inland marine or an automobile policy. Upon renewal such inland marine or automobile policies, providing coverage for mobile/manufactured homes, must be converted to a monoline fire policy or to a multi-peril policy.

Please return a copy of this bulletin, by mail or FAX (612-296-4328), signed by a company officer, indicating the date of receipt.



James E. Ulland
Commissioner of Commerce

Company Name: _____

Officer's Signature: _____